DOCUMENT RESUME

ED 312 109 RC 017 231

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TITLE Meeting Housing Needs in Rural America.
PUB DATE Jul 88
NOTE 17p.; Paper presented at the Annual Institute on Social Work and Human Services in Rural Areas (13th, Fort Collins, CO, July 24-27, 1988).
PUB TYPE Guides - General (050) -- Reports - Research/Technical (143) -- Speeches/Conference Papers (150)

EDRS PRICE MF01/PC01 Plus Postage.
DESCRIPTORS *Change Strategies; Community Coordination; *Housing; Housing Deficiencies; *Housing Needs; Human Services; Quality of Life; *Rural Areas; *Rural Urban Differences; Social Workers

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This paper first considers the importance of housing as a component of rural quality of life. Rural-urban housing differences are then evaluated, with both advantages and disadvantages cited for rural areas relative to urban areas. A strategy to improve rural housing by increasing the number of housing choices is presented, with human service providers playing a vital role. By helping to determine housing needs and choices, providing information about proper housing choices to rural residents, and working in collaboration with relevant community leaders, human service providers can help rural residents to better meet their housing needs. (Author)

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MEETING HOUSING NEEDS IN RURAL AMERICA

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This paper first considers the importance of housing as a component of rural quality of life. Rural-urban housing differences are then evaluated, with rural areas having both advantages and disadvantages relative to urban areas. A strategy to improve rural housing by increasing the number of housing choices is presented, with human service providers playing a vital role. By helping to determine housing needs and choices, providing information about proper housing choices to rural residents and working in collaboration with relevant community leaders, human service providers can help rural residents to better meet their housing needs.

RC017231

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MEETING HOUSING NEEDS IN RURAL AMERICA

Until the 1970s, the attention devoted to rural America focused on its population decline and the deterioration of its infrastructure. A shift occurred in the 1970s as hope was expressed that a rural revitalization was underway. Population figures showed that there was a revival of population growth in rural areas (Brown, 1981), and research results suggested several reasons for such growth: industrial expansion, the development of rural retirement communities, and a preference among Americans for rural life (Tremblay et al., 1983). However, the acclaimed rural renaissance never fully materialized (Morris, 1988). Now in the 1980s concern is dominated by the farm crisis, with its crippling impact on many rural communities (Rogers et al, 1988).

Regardless of the focus of attention directed at rural America, a common theme is that rural places offer people a quality of life that is highly valued. Exactly what it is that makes rural areas special remains unclear (Cook, 1987). Perhaps that something special consists of clean air, open spaces, low crime rates, a sense of community, or the opportunity to obtain the American housing dream. The purpose of this paper is to examine housing as a positive or negative feature of rural places, and then to describe a strategy that can potentially enhance the housing opportunities in rural America. But first, we need to consider the importance of housing.

IMPORTANCE OF HOUSING

To a vast majority of rural residents, housing is a major component of quality of life. It provides for the basic human needs of shelter and security, expresses people's desire for improvement, denotes status and

prestige in the eyes of the community, provides access to community services, is the location in which most family interactions occur, and serves as a storehouse of memories. Tremblay et al. (1983) explored the importance of housing to perceived life quality, Peck and Stewart (1985) presented data showing an association between housing satisfaction and quality of life, and Campbell et al. (1976) revealed a strong correlation between housing and perceived well-being.

Housing is an important nonhuman resource as well, in that it is the largest consumption expenditure for most families (Roske, 1983). As a major expenditure item, families must save money to purchase a home, continuously use a significant portion of their income for housing expenses when either buying or renting a home, and often have to plan other purchases around housing payments. Housing is also considered as an investment, as it accounts for a large share of net worth and can be sold to produce capital at retirement.

Given the importance of housing, it is crucial for rural residents to manage housing to obtain future goals. Good management requires the acquisition of housing information, which is particularly true today because of the costs and complexities asociated with housing. This acquisition of housing information builds human capital which can then be utilized by rural residents to make effective housing decisions.

At the same time, rural communities have a responsibility to provide the housing necessary to meet the needs of their residents for several reasons. First, the 1949 Federal Housing Act set forth the national goal of "A decent home and suitable living environment for every American family." Second, rural governments have a duty to provide the goods and services necessary to meet the needs of their citizenry. Third, an active housing industry can be a

major economic force in rural communities by producing employment opportunities and capital. Human service providers can assist rural residents in obtaining information on housing and help rural communities develop the housing needed by their residents.

EVALUATION OF RURAL HOUSING

A key question that must be addressed is whether housing is a positive or negative feature in rural America. Based on data collected by the U.S. Bureau of the Census (1983), rural housing differs from urban housing in many important respects. On the positive side, there is a higher incidence of home ownership (79.9 percent versus 59.4 percent) and occupancy of single-family detached dwellings (81.2 percent versus 67.7 percent) by rural as opposed to urban residents. Both home ownership and single-family detached housing are strong housing norms in American society (Tremblay and Dillman, 1983). The fact that preferred housing is more available in rural places is a definite benefit to rural life.

Manufactured housing is also more prevelant in rural areas, as 60 percent of all manufactured homes are located in rural places (Gautsche, 1988). Manufactured housing can best meet the needs of some rural residents, especially those with low incomes. Although no direct evidence exists, private outside space is also likely to be a positive feature of rural housing.

On the negative side, the value of rural housing is substantially lower than the value of urban housing (median value of $40,200 versus $49,500) (U.S. Bureau of the Census, 1983). Additionally, the median value of new homes sold in 1986 was $73,800 in rural areas versus $93,200 in urban areas (Meeks, 1988). These figures suggest that housing in rural places is of lower quality and is a poorer investment than housing in urban places. Despite the lower

cost of rural housing, affordability is a greater problem in rural as opposed to urban areas. In 1983, approximately four million rural households were considered as having a housing affordability problem (Meeks, 1988).

More rural as opposed to urban residents live in substandard housing units, as about one-half of all occupied substandard housing units are located in rural areas. Housing located in rural places tends to be older, more likely to need repairs, more apt to lack complete plumbing and proper sewage treatment, and more likely to suffer from kitchen and heating defects than housing located in urban places (U.S. Bureau of the Census, 1983).

Urban areas conjure up images of apartments or townhouses which have small (or no) yards and minimal privacy. In fact, 90 percent of all attached housing units are located in urban places (Young and Devaney, 1983). While most Americans do not prefer this type of housing, smaller housing units can best meet the needs of some people. Innovative housing choices such as condominiums and solar homes, as well as more traditional alternatives such as apartments and townhouses, are often in limited supply in most rural communities. Housing designed to meet the needs of special populations such as the elderly and handicapped are also usually available in limited quantities. Thus, some individuals and families discover that housing choices are restricted in rural America.

These discrepancies between rural and urban housing are primarily a result of the low population density found in rural areas. New homes are built where population growth is greatest—namely, urban areas. The availability of housing designed for special groups depends on large enough numbers of persons within these groups to interest builders and developers, a feature not present in most rural areas. The absence of adequate building

codes, zoning regulations, and credit in rural areas are other major factors restricting the range of housing available to rural residents. As a result, it is estimated that there will be a shortfall of 75,000 rural housing units when comparing housing demand and production between 1986-1990 (Schussheim, 1986).

The overall evaluation of rural housing is mixed. The American housing dream can be obtained more readily in rural as opposed to urban areas; however, housing choices that can better meet the needs of some persons is often limited in rural places. Housing quality is also lower in rural America, and housing affordability is a serious problem. It is clear, then, that rural housing can be improved.

Improving rural housing will be a difficult task given current housing trends. Even if the factors restricting housing opportunities discussed earlier can be overcome, the escalating cost of housing raises serious questions regarding affordability. As of early 1988, the median sales price of new single-family houses was $110,500 (U.S. Department of Commerce, 1988). Relatively high mortgage interest rates, averaging about 10.5 percent in 1988, have dramatically increased monthly housing payments. Changes in the U.S. Tax Code may negatively influence builders in the construction of rental housing. Finally, federal support for the provision of rural housing has been sharply curtailed during the Reagan administration. Housing programs funded by the Farmers Home Administration, U.S. Department of Housing and Urban Development, Social Services Block Grants, and Community Development Block Grants have all experienced major cutbacks (Edwards, 1988).

INCREASING RURAL HOUSING CHOICES

One strategy to improve rural housing opportunities is to increase the

housing choices available to rural residents. Fortunately, new options abound in all stages of the housing process resulting in a variety of housing choices. Table 1 presents an overview of these choices in terms of structure, construction, occupancy, site, energy, ownership, and finance. Any of these housing options could potentially be developed in rural areas with the goal of meeting rural housing needs (Tremblay and McCray, 1987).

Insert TABLE 1

Are rural residents interested in a variety of housing choices? This is a crucial question, one partially answered by the results of a 1981-1982 survey conducted as part of the Southern Region Housing Research Project. Personal interviews were held with an adult member in each of 1,804 households residing in 28 nonmetropolitan counties in seven southern states. Respondents to the personal interviews were shown four photographs along with definitions for six housing options. Acceptability of the six options varied dramatically: 65.4 percent of the respondents would consider living in a retrofitted house, 54.3 percent in a passive solar house, 49.8 percent in an active solar house, 32.1 percent in an earth-sheltered house, 26.7 percent in a multifamily unit, and 20.9 percent in a manufactured house. Although this survey covered only six housing choices, it does suggest that many rural residents accept alternative housing forms as viable living environments.

In a second Southern Region Housing Research Project conducted in 1985, a survey of 194 housing experts was completed to identify rural communities providing innovative housing in eight southern states. Results of this survey reveal that of 448 rural communities rated by housing experts as being traditional or innovative in the provision of housing, only 36 were designated as innovative. The housing choices most often mentioned as innovative were

multifamily units, manufactured housing, energy efficient homes, public housing projects, retirement housing, and FmHA financed housing. Barriers identified as restricting the variety of housing choices in rural areas were zoning regulations, building codes, inadequate state and federal support, and limited credit.

Given adequate interest in a range of housing choices by rural residents and the difficulties experienced by rural communities in providing such choices, a comprehensive plan to increase rural housing choices should be developed and implemented. A possible model to increase rural housing choices in order to better meet the housing needs of rural individuals and families is presented in Table 2. Human service providers figure prominently in the model.

Insert TABLE 2

The first step in the model consists of developing housing affordability levels of community residents. Using relevant Census data, Chamber of Commerce or government statistics, and other available sources of information, household income categories are determined. The dollar amounts in each household income category are multipled by .25 (lower range of 25 percent of income devoted to housing expenses) and .33 (higher range of 33 percent of income devoted to housing expenses). Housing affordability levels are then created, with categories based on houshold income and lower and upper limits on housing expenses. Categories can include low, lower-middle, middle, upper-middle, and high levels if appropriate for the area. For example, the lower-middle level might consist of those earning $600 per month with expected housing expenses ranging from $150 to $198 per month.

Second, community residents are classified into special population groups, such as elderly, handicapped, female-headed household and small

family. Utilizing housing-related publications and possibly conducting surveys, a description of housing needs is developed for each special population group. For example, elderly residents might need housing which is relatively maintenance free, close to certain community services, and handicapped accessible.

The third step in the model consists of developing a listing of housing choices available in the area. Real estate brokers can provide this information. The features of these housing choices are identified with regard to needs potentially satisfied and cost. For example, manufactured housing might be one housing choice and contains features such as small living space, accessible floor plan, and low maintenance for a reasonable cost. Additionally, housing choices not available are noted.

During these three stages human service providers play a crucial role in developing information; however, they cannot do it by themselves. A collaborative effort with community leaders, housing intermediaries (e.g., builders, lenders, developers, and others involved in the provision of housing), Extension workers, and the general public must be carried out based on the goal of improving housing opportunities in the area.

In the fourth step, the information obtained is used to provide practical advise. By matching affordability and needs to housing choices, human service providers can produce a brochure (or similar type of publication) as a vehicle to deliver housing information to community residents. Such a brochure could list each housing choice available along with its cost, features, needs potentially satisfied, and location. The brochure could routinely be given to clients looking for housing, be used to help clients locate housing, and be made available to community residents as a public service. If any

affordability and housing needs are not satisfied for the special population groups by currently available housing, then recommendations are made to housing intermediaries and government officials regarding the housing options that need to be developed in the area.

During the next step in the model, human service providers become advisors to housing intermediaries and government officials. It is the role of housing intermediaries to determine how they can construct and deliver needed housing choices, and the role of government officials to determine how they can assist in the development of these housing choices. Human service providers might participate in meetings between the two groups and help develop specific recommendations. The removal of barriers to innovative housing (e.g., changing building codes and zoning regulations to allow for the introduction of new building technology) and the development of incentives that encourage an increase in housing choices (e.g., programs to build or rehabilitate housing through low-interest credit loans or accessing government housing money) are crucial to provide more housing choices. Hopefully, action will then result to increase housing choices in the area.

CONCLUSION

No one group of persons can improve housing opportunities in rural America by itself. Housing is such a complex product and process that a collaborative effort is required to improve its quality and availability. Community government, housing intermediaries, and the general public all must play active roles to improve rural housing. A comprehensive plan set at the local level, spearheaded by human service providers, and involving the entire rural community most likely has the best chance of success. Human service providers are crucial in the plan developed in this paper as they can help

collect important housing information, directly assist clients in obtaining adequate housing based on needs and affordability, and collaborate with government officials and housing intermediaries in the provision of housing choices. In this effort, human service providers can have a major impact in meeting rural housing needs.

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TABLE 1. Possible Housing Choices.

Structure	Energy
Single-family detached	Solar
Single-family attached	Earth-sheltered
Duplex	
Townhouse/row house	Ownership
Apartment	Fee-simple
Garden	Condominium
Low-rise	Cooperative
High-rise	Mobile home
Construction	Finance
Conventional	Conventional fixed
Manufactured/mobile	Straight-term
Prefabricated	Amortized
Panelized	Conventional Variable
Modular	Graduated payment
Adaptive-reuse	Variable term
	Variable rate
Occupancy	Reverse annuity
Single-family	Indexed
Group quarters	Renegotiation
Congregate	Split
	Contingent appreciation
Site	participation
Private lot with private space	Government Insured/Guaranteed
Zero lot line	FHA
Planned unit development	VA
	FmHA

Table 2. Possible Model for Meeting Rural Housing Needs.

Develop housing affordability levels	Develop information on housing needs of special populations	Determine housing choices available and needed	Human service providers can:	Others, with the help of human service providers, can:	Result
Low	Elderly	Rental multifamily	Match affordability and needs to housing choices	Housing intermediaries determine what housing choices need to be provided	Action to provide housing to meet affordability and special needs of residents
Lower-middle	Handicapped	Solar			
Middle	Mentally ill	Earth-sheltered	Provide information to residents on housing choices that best meet affordability and needs	Community government determines what housing choices need to be supported	
Upper-middle	Singles	Rental manufactured			
High	Female-headed households	Owned manufactured			
	Small families	Condominiums	Help residents locate appropriate housing		
	Large families	Conventional			
	Migrant workers	Small single-family	Provide information to housing intermediaries and government officials as to housing options needed		
	Homeless				